

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2007-393-C - ORDER NO. 2008-479

JULY 2, 2008

IN RE: Application of First Choice Technology,)	ORDER GRANTING
Incorporated for a Certificate of Public)	CERTIFICATE AND
Convenience and Necessity to Provide Resold)	APPROVING MODIFIED
Intrastate Interexchange Telecommunications)	ALTERNATIVE
Services within the State of South Carolina)	REGULATION
and for Alternative Regulation)	

This matter comes before the Public Service Commission of South Carolina (“Commission”) by way of the Application of First Choice Technology, Inc. (“First Choice” or the “Company”) requesting a Certificate of Public Convenience and Necessity authorizing it to provide resold interexchange telecommunications services within the State of South Carolina. The Company’s Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 2007) and the rules and regulations of the Commission. By its Application, First Choice also requests alternative regulation of its business interexchange services consistent with Commission Orders, and waiver of certain Commission regulations.

The Commission’s Docketing Department instructed First Choice to publish, one time, a Notice of Filing in newspapers of general circulation in the areas of the state affected by the Application. The purpose of the Notice of Filing was to inform interested parties of the Application of First Choice and of the manner and time in which to file the

appropriate pleadings for participation in the proceeding. First Choice complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. No Petitions to Intervene or Protests were filed.

Subsequently, First Choice and the Office of Regulatory Staff (ORS) filed a Settlement Agreement attached hereto as Order Exhibit 1. A letter from Mr. Tom Allen of ORS outlining the Company's agreement to adopt certain tariff revisions is attached hereto as Order Exhibit 2. A hearing was convened on June 9, 2008, at 10:00 a.m. in the offices of the Commission in Columbia, South Carolina, before David Butler, Hearing Examiner. First Choice was represented by John J. Pringle, Jr., Esquire. The Office of Regulatory Staff ("ORS") was represented by Shannon Bowyer Hudson, Esquire.

Scott Howsare, President of the Company, testified in support of the Company's Application. The record reveals that First Choice is a corporation organized under the laws of the State of Delaware, which is registered to transact business in South Carolina. According to Mr. Howsare, the Company seeks authority as a reseller of interexchange services. Mr. Howsare explained the Company's request for authority, and the record further reveals the Company's services, operations, and marketing procedures. The Company intends to market interexchange services. Mr. Howsare also discussed First Choice's technical, financial, and managerial resources to provide the services for which it seeks authority.

With regard to technical, financial, and managerial capabilities, the Company's Application and Mr. Howsare's testimony both evidence that First Choice's management has extensive experience in telecommunications, information technology, regulatory

matters, and accounting and finance. Mr. Howsare also testified that First Choice will operate in accordance with Commission rules, regulations, guidelines, and Commission Orders. Mr. Howsare offered that approval of First Choice's Application would serve the public interest.

Mr. Howsare, on behalf of the Company, requests a waiver of 26 S.C. Code Ann. Regs. 103-610, since the Company's books are maintained in another state.

After consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. First Choice is organized under the laws of the State of Delaware as a corporation, and is authorized to do business in South Carolina by the Secretary of State.

2. First Choice desires to operate as a provider of resold interexchange services in South Carolina.

3. We find that First Choice possesses the managerial, technical, and financial experience and capability to operate as a provider, through resale, of interexchange services in South Carolina.

4. We find that the issuance of a Certificate of Public Convenience and Necessity to First Choice to operate as a reseller of interexchange services in South Carolina would be in the best interest of the citizens of South Carolina by providing more innovative services.

5. First Choice requests a waiver of 26 S.C. Code Ann. Regs. 103-610. The Commission finds First Choice's requested waiver reasonable and understands the potential difficulty presented to First Choice should the waiver not be granted.

6. The Company has the managerial, technical, and financial resources to provide the services as described in its Application.

CONCLUSIONS OF LAW

1. The Commission concludes that First Choice possesses the managerial, technical, and financial resources to provide the telecommunications services as described in its Application.

2. The Commission concludes that the issuance of the authority to provide intrastate interexchange telecommunications services as requested by First Choice and as set forth in its Application and Mr. Howsare's testimony is in the best interests of the citizens of the State of South Carolina.

3. The Commission concludes that a Certificate of Public Convenience and Necessity should be granted to First Choice to provide resold intrastate interexchange telecommunications services.

4. The Commission adopts a rate design for First Choice for its residential interexchange services, if any, which include maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. *In Re: Application of GTE Sprint Communications Corporation, etc.*, Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

5. First Choice shall not adjust its residential interexchange rates for end-users, if any, below the approved maximum level without notice to the Commission and to the public. First Choice shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. *In Re: Application of GTE Sprint Communications, etc.*, Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level for residential interexchange services reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp.2006).

6. The Commission concludes that First Choice's intrastate interexchange business telecommunications services shall be regulated in accordance with the principles and procedures established for alternative regulation of business service offerings set out in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C. The Commission has previously granted this "alternative regulation" to competitive intrastate interexchange carriers operating within South Carolina, and the Commission concludes that the competitive marketplace requires the Commission to allow this flexible regulation to those carriers which request it. Specifically, the Commission-approved alternative regulation allows business service offerings, including consumer card services and

operator services, to be subject to a relaxed regulatory scheme identical to that granted to AT&T Communications in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

However, pursuant to Order No. 2001-997 (Docket No. 2000-407-C), this Commission has modified alternative regulation by the re-imposition of rate caps with regard to certain “operator-assisted calls” where a customer uses a local exchange carrier’s calling card to complete calls from locations which have not selected that local exchange carrier as the toll provider. Order No. 2001-997, dated November 8, 2001, imposed a maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$0.35 related to the flat per-minute rate associated with these calls. Under this relaxed regulatory scheme, tariff filings for business services shall be presumed valid upon filing. The Commission will have seven (7) days in which to institute an investigation of any tariff filing. If the Commission institutes an investigation of a particular tariff filing within the seven days, the tariff filing will then be suspended until further Order of the Commission.

7. We conclude that First Choice’s request for waiver of 26 S.C. Code Ann. Regs. 103-610 should be granted as strict compliance with the regulation would potentially cause undue hardship on that Company. The waiver is not contrary to the public interest.

8. The Settlement Agreement between the Company and ORS should be approved.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

1. A Certificate of Public Convenience and Necessity should be granted to First Choice to provide intrastate interexchange services through the resale of services authorized for resale by tariffs of carriers approved by the Commission within the State of South Carolina.

2. The Company's rate designs for its products shall conform to those designs described in Conclusions of Law above.

3. If it has not already done so by the date of issuance of this Order, First Choice shall file its revised tariff utilizing the Commission's e-filing system for tariffs. The revised tariff should be electronically filed in a text searchable PDF format using the Commission's DMS System (<http://dms.psc.sc.gov>). An additional copy should be sent via email to etariff@psc.sc.gov to be included in the Commission's ETariff System (<http://etariff.psc.sc.gov>). Future revisions to the tariff should be made using the ETariff System. The revised tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations, as well as the provisions of the First Choice-ORS Settlement Agreement and the subsequent agreement between the two as outlined by the letter from ORS tariff supervisor Tom Allen.

4. The Company's service is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers and facilities-based interexchange carriers should be treated similarly.

5. With regard to the Company's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if the end-user so desires.

6. First Choice shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If First Choice changes underlying carriers, it shall notify the Commission in writing.

7. With regard to the origination and termination of toll calls within the same LATA, First Choice shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993), with the exception of the 10-XXX intraLATA dialing requirement, which has been rendered obsolete by the toll dialing parity rules established by the FCC pursuant to the Telecommunications Act of 1996 (See, 47 CFR 51.209). Specifically, First Choice shall comply with the imputation standard as adopted by Order No. 93-462 and more fully described in paragraph 4 of the Stipulation and Appendix B approved by Order No. 93-462.

8. First Choice shall file annual financial information in the form of annual reports and gross receipts reports as required by the Commission. The annual report and the gross receipt report will necessitate the filing of intrastate information. Therefore, First Choice shall keep financial records on an intrastate basis for South Carolina to comply with the annual report and gross receipts filings. The proper form for filing annual financial information can be found at the Commission's website at the ORS's website at w.w.w.regulatorystaff.sc.gov. The title of this form is "Telecommunications

Company Annual Report.” This form shall be utilized by the Company to file annual financial information with the Commission and ORS and shall be filed no later than **April 1st**.

Commission gross receipts forms are due to be filed with the Commission and ORS no later than **August 31st** of each year. The proper form for filing gross receipts information can be found at the ORS website at www.regulatorystaff.sc.gov, and the appropriate form is entitled “Gross Receipts Form.”

Each telecommunications company certified in South Carolina is required to file annually with the ORS the Intrastate Universal Service Fund (“USF”) worksheet, which may be found on the ORS’s website at www.regulatorystaff.sc.gov. This worksheet provides ORS information required to determine each telecommunications company’s liability to the State USF fund. The Intrastate USF worksheet is due to be filed annually no later than **July 1st** with the Commission and ORS.

9. The Company shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory level, customer relations (complaint) matters, engineering operations, tests, and repairs. In addition, the Company shall provide to the Commission and ORS in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. First Choice shall file the names, addresses, and telephone numbers of these representatives with the Commission within thirty (30) days of receipt of this Order. The “Authorized Utility Representative Information” form can be found at the ORS website at

www.regulatorystaff.sc.gov; this form shall be utilized for the provision of this information to the Commission and ORS. Further, the Company shall promptly notify the Commission and ORS in writing if the representatives are replaced.

10. The Company is directed to comply with all Rules and Regulations of the Commission, unless a regulation is specifically waived by the Commission.

11. At the hearing, First Choice requested a waiver of 26 Code Ann. Regs. 103-610 (Supp. 2007). The Commission finds First Choice's requested waiver reasonable and understands the potential difficulty presented to First Choice should the waiver not be granted. The Commission therefore grants the requested waiver. However, First Choice shall make available its books and records at all reasonable times upon request by the Office of Regulatory Staff, and First Choice shall promptly notify the Commission and ORS if the location of its books and records changes.

12. The Settlement Agreement between First Choice and ORS is hereby approved.

13. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



Charles L. A. Terreni, Chief Clerk/Administrator

(SEAL)

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2007-393-C

In Re:)	
Application of First Choice Technology, Inc, for a Certificate of Public Convenience and Necessity to Provide Resold Intrastate Interexchange Telecommunications Services Within the State of South Carolina and for Alternative Regulation)	
)	SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement”) is made by and among the Office of Regulatory Staff (“ORS”) and First Choice Technology, Inc. (“First Choice” or “the Company”) (collectively referred to as the “Parties” or sometimes individually as “Party”).

WHEREAS, on November 1, 2007, First Choice filed its Application requesting (i) a Certificate of Public Convenience and Necessity be granted authorizing First Choice to provide resold intrastate interexchange telecommunications services throughout the State of South Carolina; and (ii) alternative regulation of its interexchange business services, consumer card services, operator services, and private line services consistent with Orders 95-1734 and 96-55 in Docket No. 96-661-C as modified by Order No. 2001-997 in Docket No. 2000-407-C;

WHEREAS on November 19, 2007, the Commission issued a Notice of Filing and Hearing and established a return date of December 20, 2007, for the filing of letters of protest or petitions to intervene and established an initial hearing date of February 25, 2008 which was

rescheduled to take place on June 9, 2008 for the application to be heard before a hearing examiner;

WHEREAS, on November 20, 2007, counsel for ORS entered a Notice of Appearance in this matter;

WHEREAS, on December 13, 2007, the Commission issued its Order No. 2007-842 by which the Commission appointed David Butler, Esquire as the Hearing Examiner in this matter;

WHEREAS, on January 14, 2008, First Choice pre-filed the direct testimony of Scott Howsare with the Commission and in Mr. Howsare's testimony requested a waiver of Regulation 103-610 regarding location of records;

WHEREAS, the purpose of this proceeding is to review the application filed by First Choice and its requests (i) for a Certificate of Public Convenience and Necessity to provide resold intrastate interexchange telecommunications services within the State of South Carolina; (ii) for alternative regulation of its interexchange business services, consumer card services, operator services, and private line services consistent with Orders 95-1734 and 96-55 in Docket No. 96-661-C as modified by Order No. 2001-997 in Docket No. 2000-407-C; and (iii) for waiver of Regulation 103-610 regarding location of records;

WHEREAS, since the filing of the notice, ORS has conducted a review of the technical, managerial, and financial expertise of First Choice to provide the services requested in the Application;

WHEREAS, ORS has reviewed the Application and the financial data provided by the First Choice, and ORS has calculated certain performance ratios based upon information provided by First Choice;

WHEREAS, ORS has investigated the services to be offered by First Choice and its intended customer service plans;

WHEREAS, ORS has reviewed the proposed tariffs submitted by First Choice;

WHEREAS, ORS has reviewed the prefiled testimony of Scott Howsare;

WHEREAS, as a result of its investigations, ORS has determined (a) First Choice intends to offer resold long-distance telecommunications services such as traditional switched long distance service, toll-free service, and calling card services; (b) the officers of First Choice possess sufficient technical and managerial abilities to adequately provide the services applied for; (c) based upon the information provided and the analysis performed, First Choice appears to have access to sufficient financial resources necessary to provide the services proposed in its application; (d) First Choice's proposed tariffs with the amendments as agreed to in this Settlement Agreement comply with Commission statutes and regulations; (e) the services provided by First Choice will meet the service standards required by the Commission; (f) the provision of services by First Choice will not adversely impact the availability of affordable telecommunications services; (g) to the extent it is required to do so by the Commission, First Choice will participate in the support of universally available telephone service at affordable rates; and (h) the provision of interexchange services by First Choice will not adversely impact the public interest;

WHEREAS, to ensure compliance with the Commission's statutes and regulations, the Parties have agreed to the following comprehensive settlement of all issues in this docket;

WHEREFORE, in the spirit of compromise, the Parties hereby stipulate and agree to the following terms and conditions:

1) The Parties agree that First Choice's Application and exhibits to the Application are incorporated into this Settlement Agreement and made a part hereof.

2) The Parties agree to stipulate into the record before the Commission this Settlement Agreement. The Parties also agree to stipulate to the pre-filed testimony of First Choice's witness Scott Howsare without cross-examination by ORS.

3) First Choice has submitted financial data, which was provided as Exhibit D to First Choice's Application and is incorporated by reference.

4) The Parties agree that First Choice should be granted a Certificate of Public Convenience and Necessity to provide resold interexchange telecommunications services within the State of South Carolina.

5) First Choice has requested a waiver of 26 S.C. Code Ann. Regs. 103-610 concerning the location of books and records. However, S.C. Code Ann. §58-9-380 (Supp. 2006) provides that:

Each telephone utility shall have an office in one of the counties of this State in which its property or some part thereof is located and shall keep in such office all such books, accounts, papers and records as shall reasonably be required by the Office of Regulatory Staff. No books, accounts, papers or records required by the ORS to be kept within the State shall be removed at any time from the State except upon such conditions as may be prescribed by the Office of Regulatory Staff.

ORS is agreeable to allowing First Choice to maintain its books and records outside of the State of South Carolina in exchange for First Choice agreeing to provide access to its books and records. ORS is agreeable to First Choice maintaining its books and records at its principal offices in the State of Florida, and First Choice agrees to notify the ORS of any change in the location of the principal office or in the location where the books and records are maintained. This provision of the Settlement Agreement shall not be construed as a waiver by ORS of S.C.

Code Ann. § 58-4-55 (Supp. 2006) or § 58-9-1070 (Supp. 2006). ORS expressly reserves its rights to require the production of books, records and other information located within or outside of the State of South Carolina in order to carry out its duties and compliance with any state or federal regulation.

6) First Choice acknowledges that S.C. Code Ann. § 58-9-340 (Supp. 2006) provides that the ORS may, in its discretion and subject to the approval of the Commission, prescribe systems of accounts to be kept by telephone utilities subject to the commission's jurisdiction and that the ORS may prescribe the manner in which the accounts shall be kept and may require every telephone utility to keep its books, papers, and records accurately and faithfully according to the system of accounts as prescribed by the ORS. First Choice agrees to keep its books, papers, and records in such a manner that permits ORS to audit its revenues and expenses for compliance with programs such as but not limited to the Universal Service Fund ("USF") and the Interim LEC Fund, and gross receipts. First Choice agrees to complete the reporting forms for such programs as but not limited to USF, Interim LEC, and gross receipts as may be required by the ORS of telecommunications companies certificated to operate within South Carolina and as the reporting forms may be amended from time to time.

7) ORS does not oppose First Choice's request for alternative regulation of its interexchange business services, consumer card services, operator services, and private line service offerings consistent with the procedures described and set forth in Orders 95-1734 and 96-55 in Docket No. 96-661-C as modified by Order No. 2001-997 in Docket No. 2000-407-C, specifically (i) regulation of these services listed above in the same manner as these services are regulated for AT&T Communications of the Southern States, Inc., (ii) removal of the maximum rate tariff requirements for First Choice's business services, private line, and customer network-

type offerings, except in instances governed by Order No. 2001-997 which reinstated maximum rates for surcharges and rates associated with certain intrastate operator-assisted calls; (iii) presumptively valid tariff filings for these interexchange services unless an investigation of a particular filing is instituted within seven (7) days, in which case the tariff filing will be suspended until resolution of the investigation or until further order of the Commission; and (iv) grant First Choice the same treatment as AT&T Communications of the Southern States, Inc. in connection with any future relaxation of reporting requirements.

8) First Choice agrees to resell the services only of those interexchange carriers authorized to do business in South Carolina by the Commission.

9) First Choice agrees to file necessary financial or other information as required by the Commission and/or ORS for universal service fund reporting, interim LEC fund reporting, annual reporting, gross receipts reporting, and/or any other reporting which may now or in the future be applicable to telecommunications providers such as First Choice. The Parties agree that such reports shall be filed pursuant to ORS' instructions and monies shall be remitted in accordance with the directions of the ORS and the Commission.

10) First Choice agrees to maintain its books and records in a manner that would permit ORS to examine any of First Choice's reports.

11) First Choice agrees to file with the Commission and ORS a completed authorized utility representative forms within thirty (30) days of the Commission's order.

12) In the event that First Choice offers prepaid calling card services in the future, First Choice agrees that it shall post a surety bond in the amount of \$5,000 as required by the Commission.

13) First Choice agrees to comply with the verification regulations governing change of preferred carriers as established by Federal Communications Commission (“FCC”). In addition, First Choice agrees to comply with the marketing practices and guidelines established by the Commission in Order No. 95-658.

14) First Choice agrees to comply with South Carolina Code Section § 58-9-300 entitled “Abandonment of Service.” Additionally, to the extent applicable, First Choice agrees to adhere to the FCC’s rule 47 C.F.R. § 64.1190 and 64.1130 regarding preferred carrier freezes and the requirement that the form of the written authorization for the institution of the freeze be a separate or easily separable document. Prior to abandonment of service, First Choice shall remove any preferred carrier freeze so as to enable consumers to seamlessly transfer their telephone numbers to another provider.

15) First Choice agrees to comply with all rules and regulations of the Commission unless the Commission has expressly waived such rule or regulation. S.C. Code Ann. § 58-9-1610 provides penalties of not less than twenty-five dollars nor more than five hundred dollars for each violation of Articles 1 through 13 of Chapter 9 of Title 58 and for failing, omitting or neglecting to obey, observe or comply with any lawful order of the Commission.

16) First Choice agrees to file a final revised tariff with both the ORS and the Commission and the revised tariff shall reflect and be in accordance with ORS’ recommendations.

17) ORS is charged by law with the duty to represent the public interest of South Carolina pursuant to S.C. Code § 58-4-10 (B). S.C. Code § 58-4-10(B)(1) through (3) read in part as follows:

...’public interest’ means a balancing of the following:

- (1) concerns of the using and consuming public with respect to public utility services, regardless of the class of customer;
- (2) economic development and job attraction and retention in South Carolina; and
- (3) preservation of the financial integrity of the State's public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.

ORS believes the Settlement Agreement reached among the Parties serves the public interest as defined above.

18) The Parties agree to advocate that the Commission accept and approve this Settlement Agreement in its entirety as a fair, reasonable and full resolution of all issues in the above-captioned proceeding and that the Commission take no action inconsistent with its adoption. The Parties further agree to cooperate in good faith with one another in recommending to the Commission that this Settlement Agreement be accepted and approved by the Commission. The Parties agree to use reasonable efforts to defend and support any Commission order issued approving this Settlement Agreement and the terms and conditions contained herein.

19) The Parties agree that signing this Settlement Agreement will not constrain, inhibit, impair or prejudice their arguments or positions held in other collateral proceedings, nor will it constitute a precedent or evidence of acceptable practice in future proceedings. If the Commission declines to approve the Settlement Agreement in its entirety, then any Party desiring to do so may withdraw from the Settlement Agreement in its entirety without penalty or obligation.

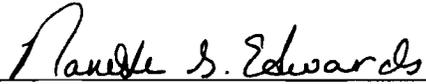
20) This Settlement Agreement shall be interpreted according to South Carolina law.

21) The above terms and conditions fully represent the agreement of the Parties hereto. Therefore, each Party acknowledges its consent and agreement to this Settlement Agreement by affixing its signature or by authorizing counsel to affix his or her signature to this

document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and email signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the original signature pages combined with the body of the document constituting an original and provable copy of this Settlement Agreement. The Parties agree that in the event any Party should fail to indicate its consent to this Settlement Agreement and the terms contained herein, then this Settlement Agreement shall be null and void and will not be binding on any Party.

WE AGREE:

Representing the Office of Regulatory Staff



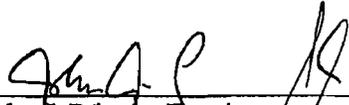
Nanette S. Edwards, Esquire
Office of Regulatory Staff
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Columbia, SC 29201
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Date

6/05/08

WE AGREE:

Representing First Choice Technology, Inc.



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6/4/08
Date

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EXECUTIVE DIRECTOR

1441 Main Street, Suite 300
Columbia, SC 29201



Phone: (803) 737-0300
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DAN F. ARNETT
CHIEF OF STAFF

November 13, 2007

Scott Howsare, President
First Choice Technology, Inc.
601 N. Orlando Avenue, Suite 211
Maitland, FL 32751

Dear Mr. Howsare,

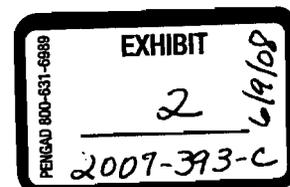
The South Carolina Office of Regulatory Staff has reviewed the South Carolina Telecommunications Tariff of First Choice Technology, Inc. The application for Resale of InterExchange Telecommunications Service was filed with the South Carolina Public Service Commission in Docket 2007-393-C. The ORS has included recommendations for the tariffs. The changes listed should be made to the tariff as soon as you are able.

This letter includes suggestions so that your tariff will conform to the typical South Carolina Telecommunications Tariff. The letter also includes recommendations for additions or deletions in your tariff that will aid in the speedy approval of your tariff.

Please do not hesitate to respond via e-mail or phone. And, as always, if you do have any questions, please contact me.

Sincerely,

Tom Allen
Tariff Administrator
South Carolina Office of Regulatory Staff
803-737-5229
tallen@regstaff.sc.gov



C. DUKES SCOTT
EXECUTIVE DIRECTOR

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DAN F. ARNETT
CHIEF OF STAFF

Recommendations for Tariff S.C. PSC No. 1 (IXC)

Section 1

Original Sheet 7 1.1—The Company should include the following definition--
“ORS—South Carolina Office of Regulatory Staff”

Section 2

Original Sheet 8 2.2.2—The Company should add the following language at the end of the paragraph—“or any violation of South Carolina Regulation 103-625.”

Original Sheet 13 2.7.3.C—The Company should add the following language at the end of the sentence-- “All adjustment in Deposits will conform to SC Regulation 103-621.”

Original Sheet 15 2.7.6.E-- The Company should add the following language at the end of the sentence—“or any violation of South Carolina Regulation 103-625.”

Original Sheet 16 2.7.7.2—The Company should modify the language as follows--
“Second, if there is still disagreement about the disputed amount after the investigation and review by manager of the Carrier, the user may file an appropriate complaint with the Office of Regulatory Staff. The ORS’ address is:

South Carolina Office of Regulatory Staff
Consumer Affairs Division
1441 Main Street, Suite 300
Columbia, SC 29201
(803) 737-5230

Section 3

Original Sheet 20 3.7—The Company should modify the language as follows-- “A Special Service is any service requested by the customer for which there is no prescribed rate in this tariff. Special Service charges will be developed on an individual case basis and available to the Office of Regulatory Staff upon request.”

C. DURKS SCOTT
EXECUTIVE DIRECTOR

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DAN F. ARNETT
CHIEF OF STAFF

Section 4

Original Sheet 24—The company should make reference to filings for promotions should be made with the Commission and the ORS.

Original Sheet 25 4.3—If the Company provides residential service, a maximum as well as a current rate should be included. (If the Company only provides business services, then no max rate is needed).

Original Sheet 25 4.5— If the Company provides residential service, a maximum as well as a current rate should be included. (If the Company only provides business services, then no max rate is needed).

Original Sheet 25 4.5—The Company should change the reference to the payphone surcharge from 4.8 to 4.9.

Original Sheet 26 4.7—The Company should modify the language as follows—“Any Customer issuing Carrier a check(s) returned to Carrier for insufficient funds will be charged a fee equal to or less than provided in SC Code Ann. 34-11-70.”

(Note: Current SC Law allows for 30\$ returned check charge, putting statute will allow Company to adjust returned check charge without making a tariff revision at a later time)

Additional Recommendations for the Tariff

- 1) The Company should file all tariffs, revision, and promotions with the PSC and the ORS.
- 2) The Company should include language referencing testing and provisions for interruption of service consistent with SC Reg 103-617 and 103-614.
- 3) The Company should include language referencing Adjustment of Customer Billing consistent with SC Reg. 103-623.